

§ 932.153 Establishment of minimum quality and size requirements for processed olives for limited uses.

(a) *Minimum quality requirements.* On or after August 1, 1996, any handler may use processed olives of the respective variety group in the production of limited use styles of canned ripe olives if such olives were processed after July 31, 1996, and meet the minimum quality requirements specified in § 932.52(a)(1) as modified by § 932.149.

(b) *Sizes.* On and after August 1, 1996, any handler may use processed olives in the production of limited-use styles of canned ripe olives if such olives were harvested after August 1, 1996, and meet the following requirements:

(1) The processed olives shall be identified and kept separate and apart from any olives harvested before August 1, 1996.

(2) Variety Group 1 olives, except the Ascolano, Barouni, or St. Agostino varieties, shall be of a size which individually weigh at least $\frac{1}{105}$ pound: *Provided*, That no more than 35 percent of the olives in any lot or subplot may be smaller than $\frac{1}{105}$ pound.

(3) Variety Group 1 olives of the Ascolano, Barouni, or St. Agostino varieties shall be of a size which individually weigh at least $\frac{1}{180}$ pound: *Provided*, That no more than 35 percent of the olives in any lot or subplot may be smaller than $\frac{1}{180}$ pound.

(4) Variety Group 2 olives, except the Obliza variety, shall be of a size which individually weigh at least $\frac{1}{205}$ pound: *Provided*, That not to exceed 35 percent of the olives in any lot or subplot may be smaller than $\frac{1}{205}$ pound.

(5) Variety Group 2 olives of the Obliza variety shall be of a size which individually weigh at least $\frac{1}{180}$ pound: *Provided*, That not to exceed 35 percent of the olives in any lot or subplot may be smaller than $\frac{1}{180}$ pound.

[61 FR 40510, Aug. 5, 1996, as amended at 62 FR 1244, Jan. 9, 1997]

§ 932.154 Handler transfer.

(a) Except as hereinafter provided in paragraph (b) of this section, Form COC-6 "Report of Interhandler Transfer" shall be completed by the transferring handler for all lots of processed, but not packaged, olives transferred to another handler within the area and

for all lots and sublots of natural condition olives transferred to another handler within the area or shipped to destinations outside the area except fresh market outlets. For natural condition and processed, but not packaged, olives transferred between handlers within the area, two completed copies of said form, signed by the transferring handler, shall accompany the lot or subplot to the receiving handler who shall certify on both copies as to receipt of the olives and forward one copy to the committee within 10 days following receipt of the olives. For natural condition olives transferred by a handler to a destination outside the area, except fresh market outlets, two copies of said form shall be completed by the transferring handler with the words *Outside the Area* included in the upper right corner of the form and one copy shall be returned to the committee within 10 days following transfer of the olives. The completed form shall contain at least the following information: (1) Name and address of both the transferor and transferee; (2) date of transfer; (3) condition (natural, processed but not packaged); (4) weight, number and size of each type of container; (5) variety; and (6) other identification (undersize olives, culls, style, etc.).

(b) Undersize or cull olives that are transferred from one handler to another and for which the transferring handler desires credit toward satisfaction of his obligation under § 932.51(a)(2) need only be accompanied by two copies of Form COC-5, report of limited and undersize and cull olives inspection and disposition: *Provided*, That such transfers are carried out under the supervision of the Inspection Service.

(c) No handler may ship any lot or subplot of natural condition olives to a destination outside the area, except fresh market outlets, unless such olives have first been size-graded and meet the disposition and holding requirements applicable under paragraphs (a) (2) and (4) of § 932.51. The size of such transferred olives shall be verified, prior to transfer, by certification issued to the transferring handler by the appropriate inspection service (Federal or Federal-State Inspection

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Service or the Processed Products Branch, USDA).

[31 FR 12636, Sept. 27, 1966, as amended at 36 FR 24795, Dec. 23, 1971; 49 FR 34440, Aug. 31, 1984; 49 FR 44448, Nov. 7, 1984]

§ 932.155 Special purpose shipments.

(a) The disposition of packaged olives covered by § 932.152(d) which are not reprocessed in accordance therewith shall be in conformity with the applicable provisions of this section.

(1) Under supervision of the Inspection Service, such packaged olives may be disposed of for use in the production of olive oil or dumped.

(2) Such packaged olives may be disposed of to a charitable organization for use by such organization; and any handler who wishes to so dispose of olives shall first file a written application with, and obtain written approval thereof from, the committee. Each such application shall contain at least: (i) The name and address of the handler and the charitable organization; (ii) the physical location of the charitable organization's facilities; (iii) the quantity in cases, the variety, size, can size, and can code of the packaged olives; and (iv) a certification from the charitable organization that such olives will be used by the organization and will not be sold.

(b) Prior to approval of any such application, the committee shall make such investigation as it deems necessary to verify the information therein. The committee may deny any application if it finds that the required information is incomplete or incorrect, or has reason to believe that the intended receiver is not a charitable organization, or that the handler or the organization has disposed of packaged olives contrary to a previously approved application. The committee shall notify the applicant and the organization in writing of its approval, or denial, of the application. Any such approval shall continue in effect so long as the packaged olives covered thereby are disposed of consistent therewith. The committee shall notify the handler and the organization of each such termination of approval. The handler shall furnish the committee upon demand such evidence of disposition of the packaged olives covered by an ap-

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proved application as may be satisfactory to the committee.

(c) In accordance with the provisions of § 932.55(b), any handler may use processed olives in the production of packaged olives for repackaging, and ship packaged olives for repackaging, if the packaged olives meet the minimum quality requirements, except for the requirement that the packaged olives possess a reasonably good flavor: *Provided*, That the failure to possess a reasonably good flavor is due only to excessive sodium chloride.

[33 FR 15632, Oct. 23, 1968, as amended at 39 FR 38221, Oct. 30, 1974; 62 FR 1244, Jan. 9, 1997]

§ 932.159 Reallocation of handler membership.

Pursuant to § 932.25, handler representation on the committee is reallocated to provide that two members shall represent cooperative marketing organizations and six members shall represent handlers who are not cooperative marketing organizations.

[58 FR 28340, May 13, 1993]

§ 932.160 Modification of provisions relative to handler nominees.

Pursuant to § 932.25 the nomination procedure set forth in § 932.29(b) is modified to provide that no more than two nominees for member and two nominees for alternate member positions on the committee may be affiliated with the same handler.

[39 FR 37762, Oct. 24, 1974]

§ 932.161 Reports.

(a) *Reports of olives received.* Each handler shall submit to the committee, on a form provided by the committee, for each week (Sunday through Saturday, or such other 7-day period for which the handler has submitted a request and received approval from the committee) and not later than the fourth day after the close of such week, a report showing by size designation and culls the respective quantities of each variety of olives received. In addition thereto, he shall also report the seasonal totals to date of the report.

(b) *Sales reports.* (1) Each handler shall submit to the committee, on COC Form 21 as provided by the committee,